IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX APPLICATION NO.56 OF 1999

The Commissioner of Income Tax
Mumbai City-I, Mumbai .. Petitioner
V/s
M/s.Tata Projects Ltd.
24 Homi Mody Street,
Bombay 400 001. .. Respondents

Mr.A.Kotangale for the Petitioner.
Mr.A.Singh i/by Mr.K.Gopal for the Respondents.

CORAM : DR.S.RADHAKRISHNAN &
J.P.DEVADHAR, JJ.

DATE : 5th March, 2007.

JUDGMENT: (PER DR.S.RADHAKRISHNAN,J.)

1. Heard the learned Counsel for the parties. This Application pertains to the Assessment Year 1986-87. This Application has been admitted on 23.6.1999 on the following substantial question of law:-

> "Whether on the facts and in the circumstances of the case, the Tribunal was right in law in deleting the addition made by the A.O.u/s.37(4) of the Income Tax Act in respect of expenses for maintenance of guest house?"

2. Both the learned Counsel fairly state that the issue involved in this application is squarely covered by the decision of the Supreme Court in the case of **Britania Industries V/s.CIT - 278 ITR 546,** against the Assessee and in favour of the Revenue. In view thereof, the Application is allowed.

3. By consent of both the parties, application be treated as "Statement of Case". In view of the decision

of the Supreme Court in the aforesaid Britania Industries case (supra), the question is answered in favour of the Revenue and against the Assessee. Reference stands disposed of.

(J.P.DEVADHAR, J.) **(DR.S.RADHAKRISHNAN,J.)**